Tonka Excavating
1388 East 4000 South
Vernal, UT 84078
801-789-5293

S/047/055

August 14,1992

John T. Blake
Division of State Land and Forestry
355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84108-1204

RE: Tonka Excavating proposed plan to mine ML7920

This site is the same site you, Tony Gallegos and Mark Lindsey visited last year.

1. Lease NE/4 SEC 36 T5S R21E

(a) Lease Number: ML 7290

(b) Name of Lessee: The Native Asphalt Company

(c) Tonka Excavating, 1388 East 4000 South Vernal, Utah 84078. Native Asphalt will submit a written statement designating Tonka Excavating as the operator.

(d) George Hackford/Michael Lowe ML 43622-24, ML 44152 These individuals will be contacted prior to commencement of operations.

2.Maps

(a) Map attached

(b) We plan to remove the top six to twelve inches of overburden and stock pile this material near the pit for use during reclamation. Approximately 60 -70 percent of the proposed mine site is exposed tar sand outcrop. A dozer would be used to cut and rip the material then pushed into a stockpile in the pit floor until removed from the site. We plan to upgrade the existing road to the site using a motor grader. The total site disturbance would be under one acre. The size of the pit would approximate 200 feet by 100 feet or .46 acres. The pit

=> UPGRADE ± 12,200' OF ROAD

would be used as the stockpile and trucks would be loaded in the pit.

3. Methods

(a) All of the above work can be accomplished using a ripper equipped bulldozer, loader, motor grader, and dump trucks. We do not anticipate using explosives but should mining methods be changed we would inform your office before implementation of change. We plan to mine 1000 to 11000 tons the first year of operation. The surface disturbed in one year would not exceed one acre.

(b) The mining method and pit slopes would be designed to drain all water into the natural drainage 100 feet southwest of the proposed pit. Groundwater has not been encountered near the site and we do not anticipate finding any effluent due to the pit location. A catch basin would be erected should we find flows from precipitation larger than anticipated.

(c) The number of people on site during operations would not exceed three unless drilling and blasting methods for mining were required. No housing on site. We would provide a self contained trailer for sanitary disposal.

(d) The planned time schedule for being on site would commence the first part of October, provided bonding is in place, lease operator agreement completed and the Division is satisfied with our plan of operation. Within the first 60 days of operation, we plan to mine 3000 tons and on the 30th day of operations load out material to the asphalt bagging facility. The completion of other tonnage would be ongoing through the summer of 1993. We would anticipate reclamation upon exhaustion of economically mined material.

4. Reclamation

(a) The land has not been used for grazing in 5 years. We would restore the area to its present status after mining activities are completed.

(b) All stockpiles would be contoured back into the mine site. The mine site would be restored and would have no more than a 10 degree slope. $\Rightarrow \sim 6{:}1$

(c) No hazardous materials are expected and will not be used with the operations. In the event of hydrocarbon spills the contaminated soil will be dug out and placed on a liner for remediation or taken to a soils land farm.

(d) Following contouring, the stockpiled overburden would

be spread. We would prepare a seed bed to a depth of six inches by discing and then planting the seed with a farm drill or device and then broadcast fertilizer. The area would then be reseeded with grasses or native plants as prescribed by the Division of State Lands.

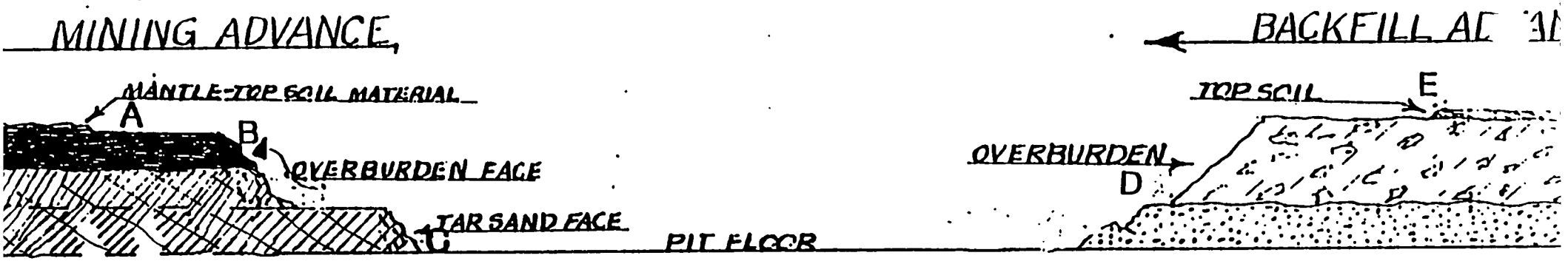
Should you have any question regarding our plans call me at the above phone number or Mark Lindsey (532-7510).

Sincerely,

John Robinson

John Robinson
Tonka Excavating

CC: Tony Gallegos, Divsion Oil Gas and Mining
Mark Lindsey, Native Asphalt



SEQUENCE OF MINING OPERATION

A. Mantle-top soil material removal by ripper-scrapper.

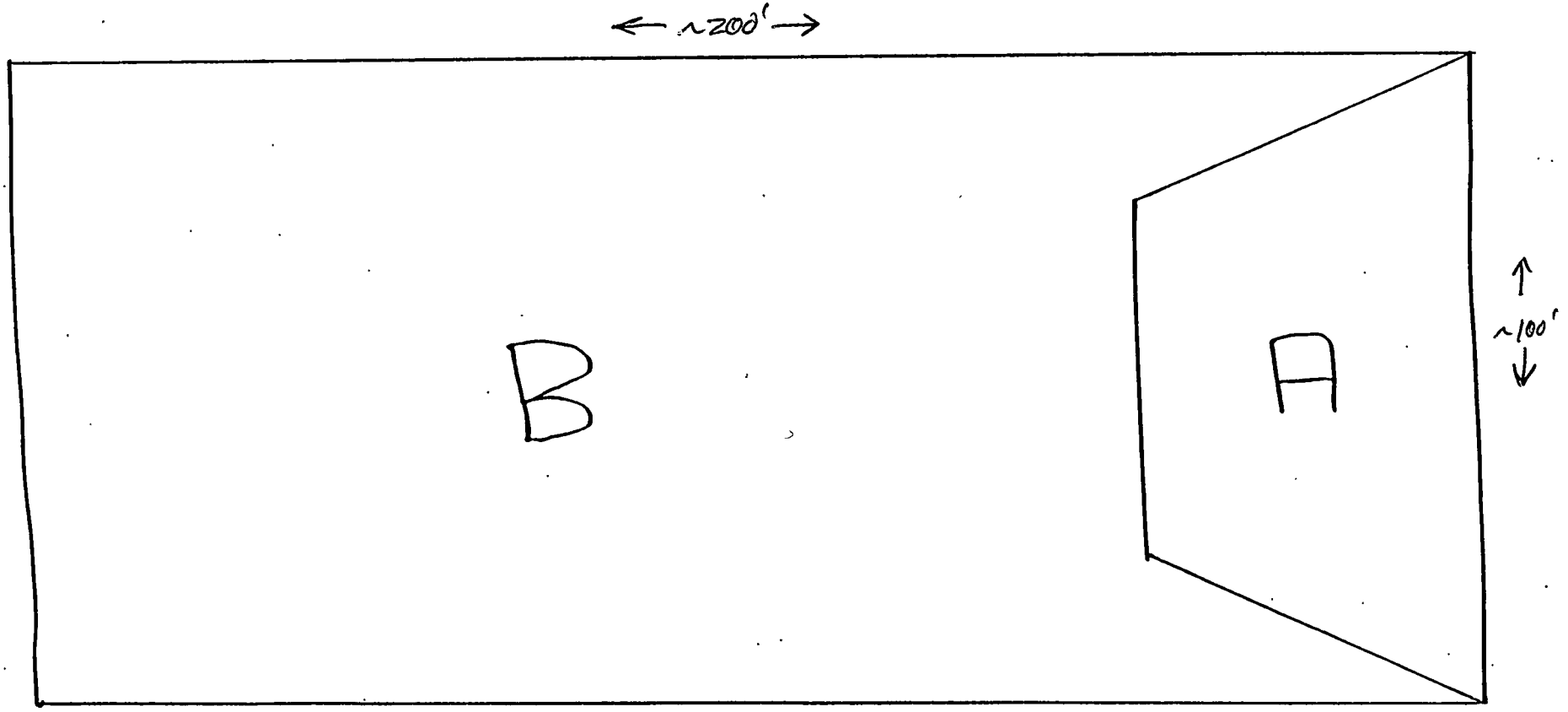
B. Overburden removal - ripper-scrapper, loading and hauling to disposal.

C. Tar sand mining - ripper-scrapping, loading and hauling to crusher.

D. Disposal of overburden from B.

E. Mantle - top soil material from A. deposited over levelled overburden followed by treatment for revegetation.

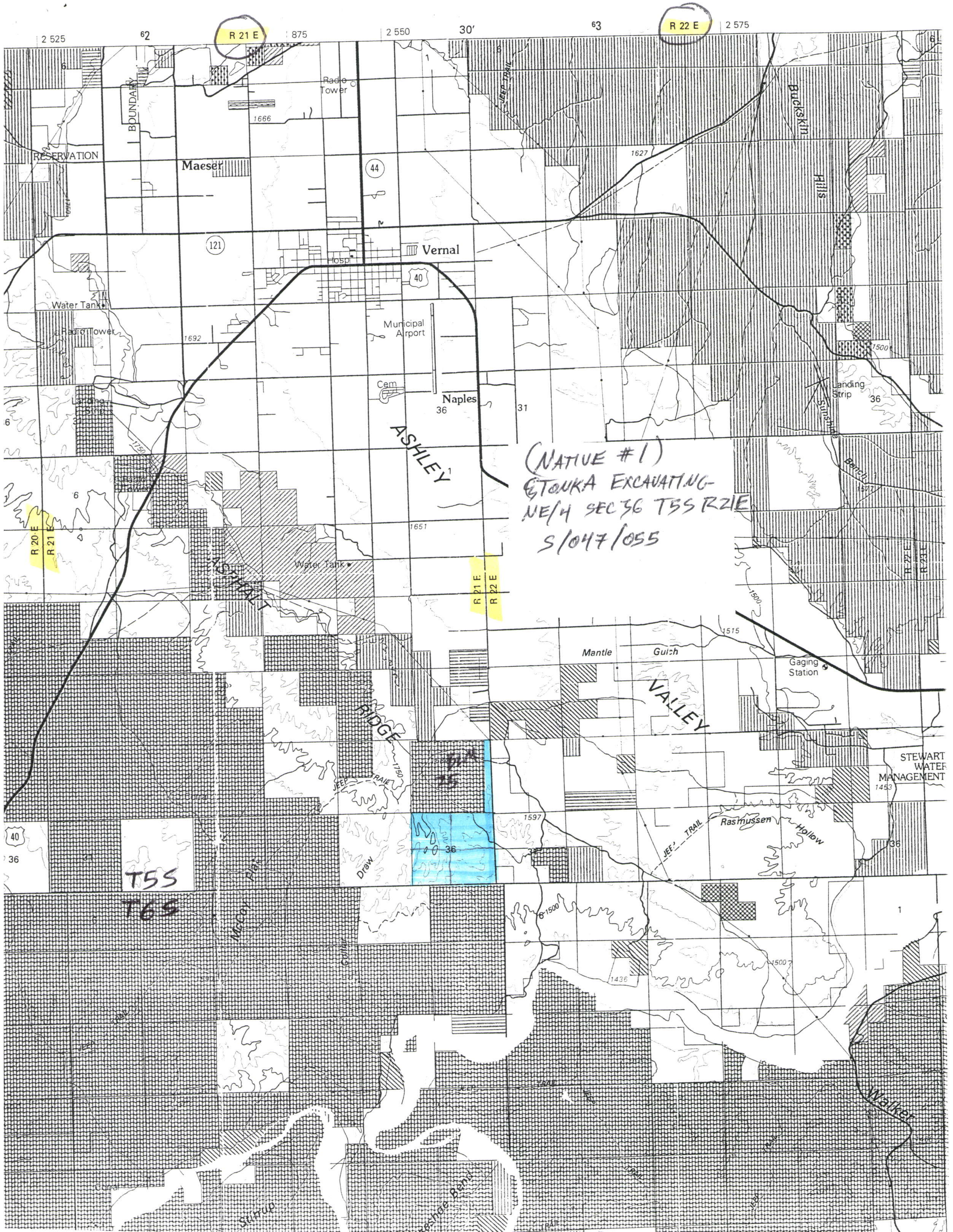
MINE DEVELOPMENT PLAN, FIRST YEAR

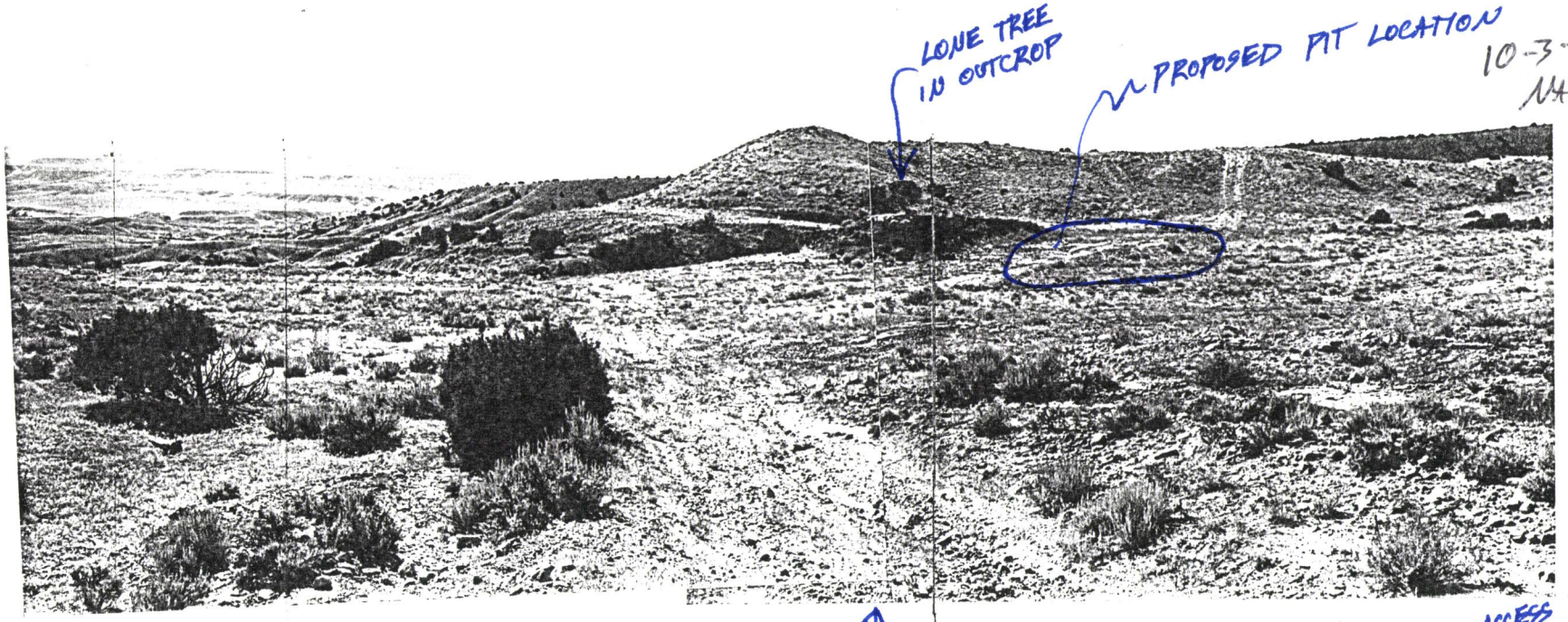


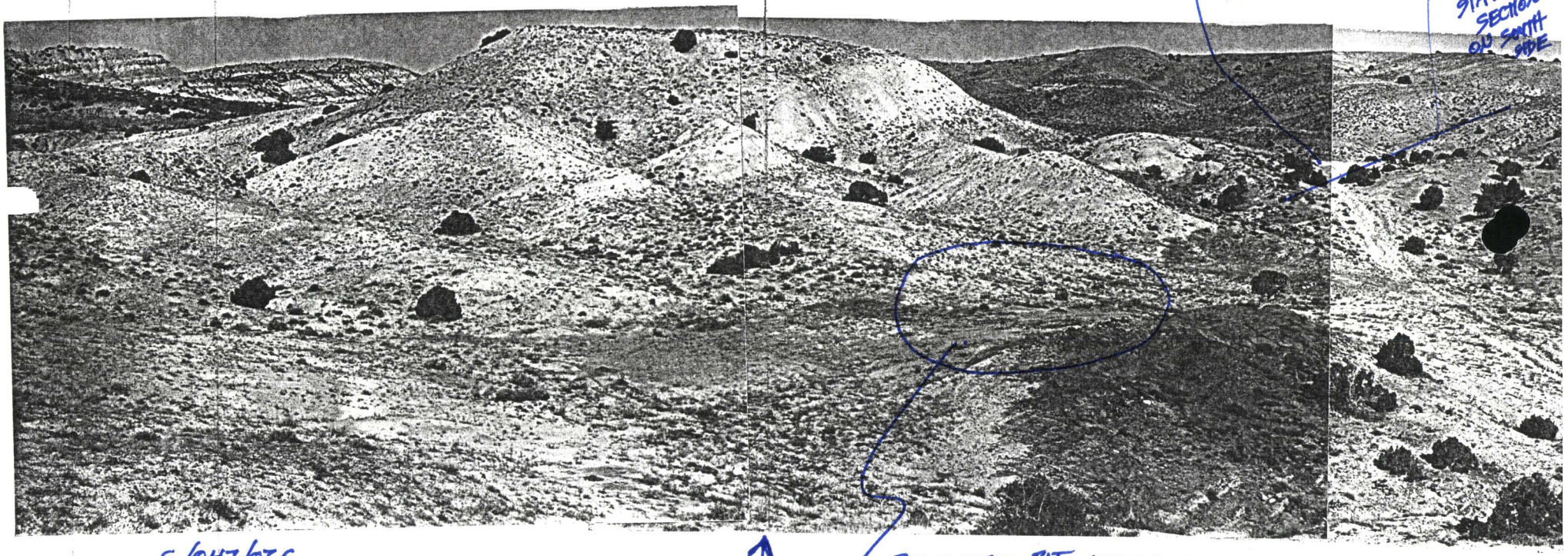
Maximum depth of mine face - 20 feet

A. Loadout and preproduction area

B. Tar sand mining area


R 21 E
R 22 E
2 525
2 550
2 575
875
30'
Radio Tower
1666
RESERVATION
BOUNDARY
Maeser
44
121
Vernal
Hosp
40
Water Tank
Radio Tower
1692
Municipal Airport
Cem
Naples
36
31
Landing Strip
ASHLEY
1627
Buckskin Hills
Landing Strip
Sunshine Bench
1500
(NATIVE #1)
STONKA EXCAVATING
NE/4 SEC 36 T5S R21E
S/047/055
R 20 E
R 21 E
Radio Tower
ASPHALT
Water Tank
1651
R 21 E
R 22 E
1515
Mantle Gulch
Gaging Station
VALLEY
RIDGE
JEEP TRAIL
BLM
35
36
1597
Rasmussen Hollow
STEWART WATER MANAGEMENT
1453
Draw
T5S
T6S
McCoy Flat
1436
1500
Walker
Stirrup
Horseshoe Bend


LONE TREE IN OUTCROP
PROPOSED PIT LOCATION
10-3-91
NATIVE #1 SITE
LOOKING ~SW


ACCESS ROAD FROM NORTH
APPROX. BORDER STATE SECTION ON SOUTH SIDE
S/047/036
10/3/91
LOOKING ~N
PROPOSED PIT LOCATION

5.5" = 1 MILE
5.5" = 5,280 FT
1" ≈ 1000'

Tonka Proposed Mine